Panel on Contracting Integrity

August 15, 2007

James I. Finley
Deputy Under Secretary of Defense,
Acquisition and Technology

Shay D. Assad
Director, Defense Procurement and
Acquisition Policy

Meeting Goals

- Subcommittee Status Reports
- Report To Congress Template
- Actions and Milestones

Procurement Fraud Working Group

Mr. Shaw

Subcommittee Status Reports

Current Structure of Contract Integrity

Ms. Knott

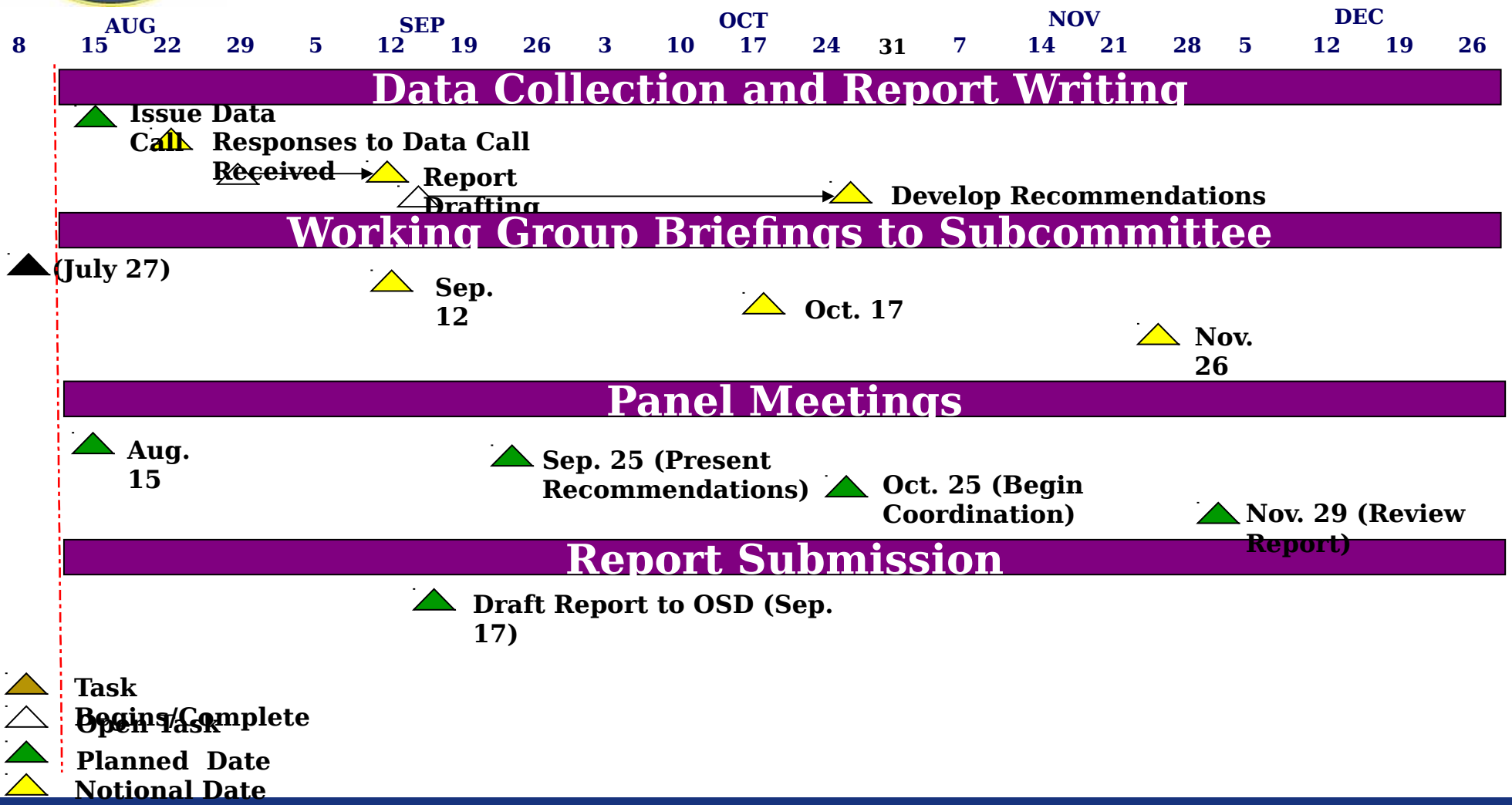
Current Structure

- Progress:
  - Scope: Assess contracting structures currently in place across DOD
    - Identify Senior Acquisition Leadership
    - Describe reporting and evaluation chain for contracting workforce
    - Describe procedures that ensure transparency
  - Action Plan:
    - Obtain information from Services and Agencies needed to perform the assessment.
    - Analyze data using criteria based on findings and recommendations from GAO-06-838R and the Defense Science Board Task Force
    - Make recommendations

Current Structure

- Timeline:
  - August 29 – Services and Agencies provide data to Subcommittee
  - September 19 – Final clarifications of data
- Input needed from other Panel Members:
  - Identify POCs for questions about data call
  - Encourage compliance with requested due date and completeness of input

Current Structure Timeline



Sustained Senior Leadership

Ms. Ballard

Sustained Senior Leadership

- Three Specific Issues Addressed in the GAO-06-838R Report:
  - **Unfilled Senior Leadership Positions**
    - GAO reports that unfilled senior positions for long periods of time can allow a single individual a significant amount of power and control within acquisition function. This provides opportunities for an individual to circumvent established policies and procedures for their personal gain.
  - **Tone at the Top:**
    - DoD lags behind in creating a systemic, integrated approach and in demonstrating the kind of leadership necessary to drive ethics to the forefront of organizational behavior.
  - **Lead Systems Integrator (LSI):**
    - LSI defines a major systems architecture and then manage both the acquisition and the integration of systems. GAO reports that without effective oversight, DoD is vulnerable to contracting fraud, waste, and abuse.

Sustained Senior Leadership

- Progress
  - Subcommittee members met on 6 August
  - Identified Topics for the Subcommittee focus for development of actionable recommendations:
    - **Unfilled Senior Leadership Positions:**
      - Define senior leadership positions across DoD – by position (decision making authority) vs rank
      - SES nomination and confirmation processes
    - **Tone at the Top:**
      - Survey/research on how OSD policies implemented
      - Control systems to prevent ethics violations from happening again
      - How to sustain organizational ethics culture regardless of changes in a senior leadership position.
      - SES performance-management system - focus on senior leadership Ethics

Sustained Senior Leadership

- Progress
  - **Lead Systems Integrator (LSI):**
    - Assess for implementation of the recommendations made in the June 2007 GAO report and Congressional Research Service Report to Congress, dated 26 March 2007
- Path Forward:
  - The subcommittee meets bi-weekly to brainstorm and develop actionable recommendations
  - Present the subcommittee actionable recommendations to the Panel in September

Sufficient Contract Surveillance

Mr. Jaggard

Sufficient Contract Surveillance

GAO Findings

- Contract surveillance assigned a low priority
- Factors not found to occur consistently: training personnel in how to conduct surveillance, assigning personnel at or prior to contract award, holding personnel accountable for their surveillance duties, and performing and documenting surveillance throughout the contract period of performance

DoD Actions

- AT&L issued a memo in March 06 resulting from DoD-wide Acquisition Integrity Analysis
- Initiated Defense Science Board Task Force to review management oversight in acquisition organizations

Sufficient Contract Surveillance

- **Progress**
  - Reviewed GAO Findings and Recommendations
  - Chartered Working Group to review Four Issues
    - COR Training
    - COR Assignment Process
    - COR Accountability
    - Surveillance Documentation
  - Interim Review with WG in October
  - Actionable Recommendations in November

NEED AF/ARMY/DCMA WG REPS

Capable Acquisition Workforce

Mr. Anderson

Acquisition Workforce Subcommittee

- Panel Members
  - Mr. Frank J. Anderson, Jr. (Lead)
  - Ms. Lorraine Allison
  - Ms. Evelyn DePalma

- Staff participants
  - Mr. Paul McMahon
  - …..

- DPAP Advisor
  - Ms. Teresa Brooks

Contracting Career Field Demographics

- The 27,742 members of the contracting career field represent 22 percent of the AT&L workforce.
- This career field is staffed at 100 percent of AT&L Workforce Transformation Program (Budget Exhibit of PB23) civilian FTEs and military end strength.
- The military composition is 14 %, and approximately 51 % military contracting personnel are Air Force.
- The Air Force contracting community performs a lead DoD enterprise support role for contingency contracting.
- Approximately 1,300 members certified at Level III for 10 years.
- The average age of the contracting workforce is 45.8; average age of civilians 47.6.
- Nearly 54 percent of the civilian contracting workforce members have over 20 years of service.
- From 2002 to 2006, there were 4,045 new hires, constituting 17 percent of the civilians in this career field.

Contracting Human Capital Plan Progress:

- USD(AT&L) established AT&L Workforce Senior Steering Board (SSB) to promote alignment, integration of efforts and sharing of best practices:
  - Principals: SAEs, USD(P&R/CPP), and other senior acquisition functional leaders
  - USD(AT&L) Conducted 4 SSB Reviews
- Director, Defense Procurement and Acquisition developed Contracting Human Capital Strategic Plan that aligns with 2007 AT&L Human Capital Strategic Plan with emphasis on competencies required to deliver mission critical capabilities:
  - Developed competency models for the Contracting career field
  - Accelerated Competency assessment schedule---to be completed by Jun 08
  - Updated Position Category Descriptions Mar 07
  - Holding community-wide town-hall meetings with contracting workforce to emphasize sound business practices
- Improve strategic total force integration, especially with regard to support contractors filling critical workforce gaps
  - USD(AT&L) Memo “Review of Acquisition Support Contractor Workforce Data,” Mar 07
  - 16 of 22 organizations responded – reflect > 30 percent of acquisition workforce are Support Contractors
- AT&L Data Green initiative is improving workforce data quality and analysis enabling improved capture of workforce attributes (e.g., size, certifications, tenure) – improves strategic human capital planning
- AT&L partnered with USD(P&R) to expand recruiting, hiring, retention, development and training initiatives (2007 AT&L Human Capital Strategic Plan, Goal # 6)

Actionable Recommendations:

- Publish the first Annual State of the Workforce Report by Sep 07
- Continue implementing AT&L and Contracting Human Capital Strategic Plan – Conduct Competency Assessment Efforts – initiate Pilot Assessment Aug 07
- Improve strategic total force integration, especially with regard to support contractors filling critical workforce gaps (identify, define, and track support contractor personnel)
- Continue the Data Green initiative to clean up and standardize data inputs to Defense Manpower Data Center (DMDC), Defense Civilian Personnel Data System (DCPDS) and AT&L Workforce Datamart to achieve comprehensive data-driven workforce analysis, and workforce decision making capabilities (Plan of Actions & Milestones (POA&M) Sep 07)
- Continue partnership with USD(P&R) to leverage DoD-wide contracting recruiting and hiring initiatives (POA&M Dec 07)
- Determine need and priority to increase acquisition Workforce and training throughout the AT&L enterprise

Adequate Pricing

Mr. Reed

Adequate Pricing

- Progress:
  - Identified:
    - Significant pricing issues from GAO Report 06-838R (July 7, 2006)
    - DoD actions, and
    - Actionable Recommendations
- Significant Pricing Issues:
  - Lack of Competition on Multiple Award and Federal Supply Contract Actions
  - Delays in Setting Requirements for Undefinitized Contract Actions
  - Failure to Use Available Pricing Information
  - Misclassification of Items as Commercial Items

Adequate Pricing

- DoD Actions Relating to Significant Pricing Issues:

1. Lack of Competition on Multiple Award and Federal Supply Contract Actions
   - Revised/clarified FAR, DFARS and/or PGI on waiver criteria, documentation, and approval levels

2. Delays in Setting Requirements for Undefinitized Contract Actions
   - Services developed/re-emphasized guidance to the field
   - DPAP initiated DFARS case to clarify definitization schedule criteria
   - DPAP conducting a study focusing on the area of contract profit/fee policies

Adequate Pricing

DoD Actions Relating to Significant Pricing Issues (con't):

3. Failure to Use Available Pricing Information
   - Added PGI language to (1) emphasize requirement to obtain certified cost or pricing data when TINA applies and (2) clarify existing requirements for obtaining necessary cost information or data to determine a fair and reasonable price when TINA does not apply
   - Initiated revision to FAR to change definition of cost or pricing data and clarify requirements for obtaining necessary information or data for a fair and reasonable price
   - Proposed legislative change to permit obtaining certified cost or pricing data when commercial sales data is insufficient to determine a fair and reasonable price for sole source commercial items
4. Misclassification of Items as Commercial Items
   - DPAP issued policy requiring commercial item determinations for acquisitions exceeding $1 million to be in writing and contract files fully document the rationale supporting the commercial item definition at FAR 2.101.

Adequate Pricing

- Actionable Recommendations:
  - Develop follow-up process (DPAP, service audit agencies) for constructive monitoring of pricing policy implementation/execution (including the use of peer review process)
  - Assess the need for revised or additional training
  - Review of functional independence (tradeoff between adequate pricing versus program mission requirements)
  - Establish thresholds for higher-level approval of commercial item determinations based on “of a type”
  - For the long term, submit a legislative proposal to change the commercial item definition by deleting the “of a type” phrase and revising the language “offered for sale” to “has been sold”

Appropriate Contracting Approaches and Techniques

Mr. Williams

Contracting Approaches and Techniques

Briefing Goals

- Submit Subcommittee Status Report
- Progress
- Actionable Recommendations
- Meeting Schedule

Contracting Approaches and Techniques

- Progress –
  - First meeting of Subcommittee held on 3 Aug 2007
    - Support Staff identified
    - Source documents presented to establish baseline
    - Subcommittee Task Clarified & Future Work scoped by Subcommittee
    - Meeting Schedule Established
- Actionable Recommendations
  - Subcommittee will consolidate list of actions taken previously to address shortcomings identified by GAO Report 06-838R, Contract Management: DOD Vulnerabilities to Contracting Fraud, Waste, and Abuse (Near Term)
  - Subcommittee will analyze opportunities for additional exploration and propose potential process changes (Mid Term and Long Term)

Contracting Approaches and Techniques

- Near Term Actions (Complete prior to First RTC)
  - Subcommittee is to consolidate list of actions taken previously to address shortcomings identified by GAO Report 06-838R, Contract Management: DOD Vulnerabilities to Contracting Fraud, Waste, and Abuse
    - Data Call with projected completion date is 30 Sep 07
- Mid Term Actions (To be worked between First and Second RTC)
  - Subcommittee will analyze opportunities for additional exploration and propose potential process changes
    - Examine potential for improved processes for the use and management of Interagency Contracting
    - Examine/develop improved processes for use of Multiple Award ID/IQ Contracts
    - Develop Doctrine/Indoctrination Plan for Award and Incentive Fee Contract usage
    - Examine/develop Improved Processes/Controls for Management of UCAs

Contracting Approaches and Techniques

- Long Term Actions (To be worked between Second and Third RTC)
  - Subcommittee will analyze opportunities for additional exploration and propose potential process changes
    - Improve Acquisition Planning timing and processes to minimize late to need approach to acquisition
    - Develop Doctrine for Selection of Contract Type in R&D Environment to better manage risk and cost growth
    - Develop Doctrine for Cost Estimate usage in Contract Award to improve Cost and Schedule Control Performance
    - Re-examine Commercial Item Cost and Pricing Data needs in light of recent challenges
    - Examine potential for improvements in Performance Based Contracting structures related to Service Contracts

Contracting Approaches and Techniques

Meeting Schedule

- Subcommittee proposes to meet as follows:
  - 24 Aug 2007 (Subcommittee)
  - 14 Sep 2007 (Subcommittee)
  - 17 Sep 2007 (Subcommittee Submits Draft Sections for RTC and Briefs)
  - 25 Sep 2007 (Contract Integrity Panel Meeting)
  - 12 Oct 2007 (Subcommittee to Review Final Data for RTC)
  - 25 Oct 2007 (Panel Convenes to Review RTC to Enter Coordination Cycle)
  - 15 Nov 2007 (Subcommittee)
  - 29 Nov 2007 (Contract Integrity Panel Meeting to Discuss Way Ahead)
  - 31 Dec 2007 (Report to Congress)
  - 24 Jan 2008 (Subcommittee)
  - 27 Mar 2008 (Subcommittee)
  - 22 May 2008 (Subcommittee)
  - 24 Jul 2008 (Subcommittee)
  - 25 Sep 2008 (Subcommittee)

Recommendations for Change

Mr. Larsen

Recommendations for Change

Progress: Our team has gotten together and decided on a few potential areas in which we may decide to make recommendations. We plan on meeting again in the next two weeks.

Possible Recommendations:

1. Draft a legislative proposal to amend the Program Fraud Civil Remedies Act of 1986 or draft a stand alone statute.

- The Act authorizes federal agencies to assess civil penalties up to $5000.00 for any claim or statement made to an agency that a person knows or has reason to know is false, fictitious, or fraudulent

Recommendations for Change

- So far, this sounds like a pretty good tool to have in our quiver of available remedies for fraudulent conduct. However, the difficulty is in the details – as currently structured, the statute simply is too complex and cumbersome. For example:

  - allegations of violations of the Act must be submitted to an investigating official, who must be a grade O-7 or above or SES in the Office of the Inspector General of a Military Department of the DoD Inspector General

  - the investigating official must submit his findings to a reviewing official, who is an individual in the same rank or grade and who works for an organization other than the IG

Recommendations for Change

- if the reviewing official decides the allegations have merit and wants to proceed, he must obtain the approval of the Attorney General or an Assistant Attorney General before doing so

- the matter then comes back to the agency and is referred to a presiding officer, who must be an Administrative Law Judge – DoD does not employ any Administrative Law Judges

- To our knowledge, the Department has invoked this Act rarely, if at all, because it so laborious – yet we have a 39 page Directive implementing it

Recommendations for Change

- Some changes that we are considering proposing are:

  - creating a Pilot Program for DoD only

  - designating the DoD Component suspension and debarment officials to investigate and make determinations on allegations of violations of the Act

  - increase the dollar limitation from $150,000 to $500,000

Recommendations for Change

2. Department of Defense Wide Ethics Program

- The Department has a robust and active compliance program but no such ethics program. The Defense Science Board Report on Management Oversight in Acquisition Organizations (the so-called Druyan Report) stated: “The department lags behind the “best in class” in creating a systematic, integrated approach and in demonstrating the kind of leadership necessary to drive ethics to the forefront of organizational behavior.”

- The DSB recommended that the Department articulate more explicitly its vision and values as a high integrity organization and expect he same of its contractors. The Secretary should put ethics at the forefront of DoD communications. The Secretary should institutionalize an orientation

Recommendations for Change

program in the Office of the Secretary for incoming senior leadership that addresses – the values and objectives of DoD and the Secretary, the importance of leadership to sustain an ethical culture, performance expectations should be tied to both of these, and senior leadership must ensure flow-down to all individuals.

- The Subcommittee is considering recommending the creation of a global DoD ethics program. Such a program could include:

  - identifying the core values of the Department

  - assessing the broader culture and identifying means of sustaining integrity

  - appointing an individual to serve as the Lead Ethics Officer for the Department

Recommendations for Change

- requiring that during their period of probation, new employees be evaluated on their ethical values.

- requiring that NSPS make value part of the performance criteria

- training also would be a key part of any such program

3. Depending upon the recommendations of other subcommittee, our subcommittee is prepared to draft any necessary implementing legislation.

Report to Congress Template

Report to Congress Template

NDAA 2007 SEC. 813. ESTABLISHMENT OF PANEL ON CONTRACTING INTEGRITY

- “The panel shall prepare and submit to the Secretary of Defense and the congressional defense committees an annual report on its activities. The report shall be submitted not later than December 31 of each year and contain a summary of the panel's findings and recommendations for the year covered by the report.”

- FIRST REPORT- The first report under this subsection shall be submitted not later than December 31, 2007, and shall contain:
  - an examination of the current structure in the Department of Defense for contracting integrity and
  - recommendations for any changes needed to the system of administrative safeguards and disciplinary actions to ensure accountability at the appropriate level for any violations of appropriate standards of behavior in contracting.

Panel on Contracting Integrity 2007 Report to Congress

- Two Sections of the Report
- Section I - 10-15 pp. Overview: Purpose, Background, Current Activities, Panel Duties and Functions, Goals and Objectives, Governance, Panel Membership, Description of Subcommittees, Ethics Regulation and Policy Training, Procurement Fraud Working Group, Coordination with Federal Activities
- Section II – Report From Each Subcommittee
  - Use Template to Address Each Contracting Vulnerability Specified in the GAO Report
  - Under Promise and Over Deliver

Template for Subcommittee Sections of Report to Congress

- Organize Report based on Contracting Vulnerabilities Cited by GAO Report

- Most subcommittees have 3-4 vulnerabilities e.g., the Sustained Leadership Subcommittee Contracting Vulnerabilities are: Unfilled Positions, Tone at the Top, and Lead Systems Integrators)

- **Contracting Vulnerability: Unfilled Positions**
  - Related GAO or IG Reports
  - GAO Recommendations
  - DoD Follow up Actions to date or Pending Plans
  - Gaps Identified by Subcommittee
  - Subcommittee Recommendations

Template Structure

Template for "Recommendations for Change" Subcommittee

- Overview
- Methodology
- Analysis (e.g., Rate Recommendations Based on Probability of Implementation And Impact, Then Prioritize)
- Prioritized Recommendations: (One from each subcommittee)

Third Panel Meeting
Monday, October 1, 2007, 1:30 – 3:30 PM

Panel Meeting:

- Each subcommittee will brief the Panel on findings and recommendations
- The “Recommendations for Change” Subcommittee will provide an independent analysis of the subcommittees recommendations and recommend prioritization for RTC
- Discuss initial draft of RTC to determine opportunities for improvement

Preparation:

- Subcommittees Submit Briefings and RTC draft sections by 28 September
  - Review Current Status and Recommendations for Improvement
  - Prioritize Recommendations For 2007 RTC
  - Draft Section for the RTC Using Templates Provided
  - Draft Briefings Describing Findings & Recommendations
- Will provide initial draft of consolidated RTC for panel discussion

Actions and Milestones

Key Milestones for Report Preparation

- Subcommittees Submit Draft Sections for RTC and Briefs 28 September
- Third Panel Meeting 1:30 – 3:30 PM Monday, October 1, 2007
  - Present Recommendations
  - Discuss Initial Consolidated Draft of RTC for Content 1 October September
- Fourth Panel Meeting 9:30 – 11:30 AM Thursday, November 1, 2007
  - Review RTC to enter Coordination Cycle 1 November
- Panel Convenes to Review coordinated RTC, Way Ahead for 2008 29 November
- Due to Congress 31 December

Back-Up

Acquisition Workforce Subcommittee

Curriculum

August 15, 2007

Contracting Curriculum

- Contracting completed a competency review in 2001 which resulted in a restructuring of core certification requirements.

- Contracting, like all career fields, is implementing the Core Plus concept in FY 2008 that identifies core acquisition training, core career field training, and “plus” training targeted to position or mission needs.

- Competencies and training requirements are reviewed each year and as policy changes are implemented. Examples of Continuous Learning modules developed this year include:
  - CLC 060 – Time and Material Items
  - CLC 131 – Commercial Item Pricing
  - CLC TBD – Billing and Payment Instructions (deployment pending)
  - CLC TBD – Organizational Conflict of Interest (deployment pending)

DAU training coverage in contract management regarding Adequate Pricing

- ***Non-competitive contract actions***
  - CON111, Lesson 5 Introduction to Price/Cost Analysis, includes cost analysis and cost realism analysis
  - CON111, Lesson 6 Price Analysis Techniques, includes price comparability factors when competition is not available and the development of an independent cost estimate
  - CLC 104 Analyzing Profit or Fee
  - CLC 024 Basic Math Tutorial, supports understanding of pricing actions
- ***UCA****s*
  - CON112, Lesson 3 “Contract Modification and changes”, discusses unilateral contracting changes but nothing specific to pricing them
- ***Use of available pricing information***
  - CON111, Lesson 5 Introduction to Price/Cost Analysis, includes discussion and examples of both price and cost analysis, TINA and exceptions
  - CON111, Lesson 6 Price Analysis Techniques
  - CON120, Lesson 4 Response, Evaluation and Award, student work through price reasonableness determination and price analysis techniques
  - CLC 104 Analyzing Profit or Fee
  - CLC 024 Basic Math Tutorial, supports understanding of pricing actions
- ***Misclassification of items as "commercial"***
  - CON120 Lesson 3 Case Study using a commercial item, students review commercial item definition in FAR
  - CLC 023 Commercial Item Determination: Executive Overview

DAU training coverage in contract management: Appropriate Contracting Approaches and Techniques

"DOD is making greater use of alternative contracting approaches, which offer the benefits of improved efficiency and timeliness for acquiring goods and services."

- ***Interagency contracting***
  - CON110, Lesson3, Discusses the Economy Act
  - CON353, Hot Topics lesson
  - CLC 017 Section 803 Competition Requirements
  - CLC 010 Proper Use of Non-DoD Contracts (new module on Interagency is being worked)
- ***Use of GSA multiple award schedules***
  - CON120, Lesson 8 Case Study using BPA against a FSS
  - CON353, Hot Topics Lesson, discusses Section 803 and interagency rules
  - CLC 017 Section 803 Competition Requirements
  - CLC 010 Proper Use of Non-DoD Contracts (new module on Interagency is being worked)
- ***Structure and implementation of award and incentive fees***
  - CON353, Hot Topics lesson, discusses new policy letters and GAO report
  - CLC 018 Contractual Incentives

DAU training coverage in contract management: Sufficient Contract Surveillance

"The demand for contract surveillance continues to grow because of DOD's increasing reliance on contractors for services."

- ***Assignment of personnel before surveillance period begins***
  - CON112, Lesson 1 "Assessing Performance", includes roles and responsibilities of team, inspection, acceptance, methods of surveillance, post award conference
  - CON120, Lesson 5 "Performance Assessment", includes post award conference and selecting/using performance measures
  - CLC 013 Performance Based Services Acquisition
- ***Accountability for surveillance duties***
  - CON112, Lesson 1 (same as above)
  - CON120, Lesson 5 "Performance Assessment", includes post award conference and selecting/using performance measures
  - CLC 013 Performance Based Services Acquisition
  - CLC 012 Contracting Officers Representative (COR)
- ***Performing and documenting surveillance***
  - CON112, Lesson 1 (same as above)
  - CON120, Lesson 5 "Performance Assessment", includes post award conference and selecting/using performance measures
  - CLC 013 Performance Based Services Acquisition
  - CLC 012 Contracting Officers Representative (COR)DAU

Panel on Contracting Integrity

Status from Subcommittee on Appropriate Contracting Approaches and Techniques

Aug 15, 2007

James I. Finley
Deputy Under Secretary of Defense,
Acquisition and Technology

Shay D. Assad
Director, Defense Procurement and
Acquisition Policy

Introduce Subcommittee Members

- Mr. Charlie Williams (Chair) Deputy Assistant Secretary (Contracting)
  Assistant Secretary (Acquisition) Department of the Air Force

- Mr. Richard Ginman (Advisor) Deputy Director for Contract Policy
  Defense Procurement and Acquisition Policy Office of the Under Secretary of Defense

- Dr. Dale Uhler Senior Procurement Executive
  United States Special Operations Command

- Mr. Barney Klehman Deputy for Acquisition Management (Contracting)
  Missile Defense Agency

- Mr. Steve Shaw Deputy General Counsel Department of the Air Force

Support Staff

- Mr. Randall Culpepper
  Senior Procurement Analyst
  Deputy Assistant Secretary (Contracting)
  Assistant Secretary (Acquisition)
  Department of the Air Force
- Col Vincent Napoleon
  Senior Individual Mobilization Augmentee
  Deputy Assistant Secretary (Contracting)
  Assistant Secretary (Acquisition)
  Department of the Air Force
- Col John Cannaday
  Deputy Senior Procurement Executive
  United States Special Operations Command
- Susan Pollack
  Senior Procurement Analyst
  Deputy Director for Contract Policy
  Defense Procurement and Acquisition Policy
  Office of the Under Secretary of Defense
- Rod Grandon
  Senior Attorney
  Office of the Deputy General Counsel
  Department of the Air Force
- Lt Col Brett McMullen
  Senior Procurement Officer
  United States Special Operations Command
- Lt Col Jon Bridges
  Senior Procurement Officer
  United States Special Operations Command

Areas to be Addressed

- GAO language driving the task at hand
  - "…introduction or expansion of alternative contracting approaches have caused DOD's contract management to remain on GAO's high risk list."
  - "When selecting contracting approaches and techniques for award, the government's objective is to negotiate contract type and price that will result in reasonable risk and provide the contractor with the greatest incentive for efficient and economical performance."
  - "…data collected by GAO suggests that DOD's increased use of certain contracting approaches and techniques over the past few years has increased DOD's vulnerability to contracting fraud, waste, and abuse"
- Areas of abuse cited by GAO:
  - Improper Use and Management of Interagency Contracting
  - Misuse of Multiple Award Indefinite Delivery / Indefinite Quantity contracts
  - Structure and Implementation of Award and Incentive Fees

Identify Actions

- Finalize and disseminate baseline documentation review
  - Support Staff – Task Complete 24 Aug 07
- Determine information that needs to be collected to fully explore potential areas of opportunity
  - Team – Task Complete 24 Aug 07
- Collect exploration information and assimilate findings
  - Support Staff – Task Complete 12 Sep 07
- Formulate Draft Subcommittee Section for RTC
  - Support Staff – Task Complete 15 Sep 07
- Submit Draft Subcommittee Section for RTC
  - Subcommittee Chair – Task Complete 17 Sep 07
- Formulate Final Subcommittee Recommendations to Panel
  - Support Staff – Task Complete 7 Oct 07
- Brief Final Recommendations to Carry to Panel to Subcommittee
  - Support Staff – Task Complete 12 Oct 07
- Present Final Recommendations to Panel to Enter RTC Coordination
  - Subcommittee Chair – Task Complete 25 Oct 2007
- Submit RTC
  - Panel Chair – Task Complete 31 Dec 2007